



January 30, 2004

SENATE BILL No. 406

DIGEST OF SB 406 (Updated January 29, 2004 10:02 am - DI 105)

Citations Affected: IC 32-29.

Synopsis: Hazard insurance coverage. Prohibits a lender from requiring a borrower to obtain hazard insurance in an amount exceeding the replacement value of the improvements on mortgaged property as a condition of receiving or maintaining the mortgage.

Effective: July 1, 2004.

Paul

January 12, 2004, read first time and referred to Committee on Insurance and Financial Institutions.
January 29, 2004, reported favorably — Do Pass.

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SB 406—LS 6982/DI 105+



January 30, 2004

Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

SENATE BILL No. 406

A BILL FOR AN ACT to amend the Indiana Code concerning property.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 32-29-1-2.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2004]: **Sec. 2.5. A mortgagee or a mortgagee's assignee or**
4 **representative may not require a mortgagor, as a condition of**
5 **receiving or maintaining a mortgage, to obtain hazard insurance**
6 **coverage against risks to improvements on the mortgaged property**
7 **in an amount exceeding the replacement value of the**
8 **improvements.**

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COMMITTEE REPORT

Madam President: The Senate Committee on Insurance and Financial Institutions, to which was referred Senate Bill No. 406, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 406 as introduced.)

PAUL, Chairperson

Committee Vote: Yeas 6, Nays 0.

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SB 406—LS 6982/DI 105+

